BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001 SEP 11

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POSTAL RATE COMMITTION OFFICE OF THE SECALIARY

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS HATFIELD TO INTERROGATORY OF MAJOR MAILERS ASSOCIATION (MMA/USPS-T25-9)

The United States Postal Service hereby files the response of witness

HATFIELD to the following interrogatory of Major Mailers Association, dated August 28,

1997: MMA/USPS-T25-9.

The interrogatory is stated verbatim and is followed by the response.

Interrogatories MMA/USPS-T25-10 and 11 have been redirected to the Postal Service for response. Those responses are being filed today.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

Michael T. Tidwell

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260-1137 (202)268-2998/FAX: -5402 September 11, 1997

RESPONSE OF POSTAL SERVICE WITNESS HATFIELD TO INTERROGATORIES OF MAJOR MAILERS ASSOCIATION

MMA/USPS-T25-9. Please refer to USPS-T-25, Appendix I, page 32, where you list the adjusted productivities that you use in your cost models. Please provide the productivities for each operation prior to the adjustment (where you divided the base productivity by the percentage volume variability for each operation, as described on page 9 of USPS-T-25).

RESPONSE:

Only productivities for certain operations are adjusted for volume variability in my testimony. For these operations, the productivity prior to adjustment is listed in column 2 of page 32 of Appendix I. The productivity measures for all other operations were obtained from Library Reference USPS LR-H-113. Unadjusted productivities for these other operations can be found in USPS LR-H-113 (page 10 for RBCS, page 100 for all other).

DECLARATION

I, Philip A. Hatfield, declare under penalty of perjury that the foregoing
answers are true and correct, to the best of my knowledge, information, and belief.

Miljola Hatlide

Dated: 1-11.67

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

Michael T. Tidwell

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260-1137 September 11, 1997